

# UMSOBOMVU



**MUNISIPALITEIT**

**MUNICIPALITY**

## **MINUTES:** **SPECIAL COUNCIL** **MEETING:** **31 MAY 2017**

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**MINUTES OF A SPECIAL COUNCIL MEETING OF THE FOURTH COUNCIL  
OF UMSOBOMVU MUNICIPAL COUNCIL HELD IN THE COUNCIL  
CHAMBERS, MURRAY STREET, COLESBERG**

**ON 31 MAY 2017 AT 10:00**

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**PRESENT****COUNCILLORS**

: M.S. TOTO  
 : W. MINNIE  
 : M.A. SESTILE  
 : V.P. HARMSE  
 : N.D. STAFSA  
 : E. HUMPHRIES  
 : M.R. KAFI  
 : J.P. MATTHEE  
 : N.J. BATTIES  
 : S.K. BROWN  
 : M.J. WILLIAMS

**OFFICIALS**

:	A. C. MPELA	(Municipal Manager)
:	P.T.R. MOSOMPHA	(Technical Manager)
:	D.T. VISAGIE	(Manager: Finance)
:	B. J. KAPP	(Manager: Corporate Services)
:	V.A. MOKHOTHU	(Section Head: Corporate Services)
:	N. THISO	(Deputy CFO)
:	S.I. SMITH	(Manager: Mayor's Office)

(All Councillors and officials sign a declaration of interest in which they undertake that they will make known details of their private business interests which they or any close family members, partners or associates may have in any item contained in the agenda. Councillors and officials further undertake to immediately withdraw from participating in any manner whatsoever when the item is discussed by Council and that they will make the Chairperson aware of their interests and that they will leave the Council Chambers for the duration of discussion of the item)

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## **SPECIAL COUNCIL MEETING: 31 MAY 2017**

### **1. OPENING AND WELCOMING**

The Mayor, Honourable Councillor M.S. Toto, extends a word of welcome to all Councillors and officials. The Mayor proceeds by requesting Councillor V. Harmse to open the meeting with a prayer. Councillor Harmse does a prayer and upon conclusion, the Mayor extends a word of appreciation to Councillor Harmse and declares the meeting open.

### **2. READING OF NOTICE ACCORDING WHICH THE MEETING IS TO BE HELD**

The Mayor reads the notice according which the meeting will be held. "Notice is hereby given that a Special Council meeting of the Umsobomvu Municipal Council will be held in the **COLESBERG COUNCIL CHAMBERS, MURRAY STREET, COLESBERG**, on **31 MAY 2017** at **10:00** to discuss the items contained in the attached agenda".

### **3. ATTENDANCE REGISTER.**

#### **3.1 Councillors present.**

As per the attached list.

#### **3.2 Consideration of applications for leave of absence.**

None.

### **4. INTERVIEWS WITH DEPUTATIONS**

None.

### **5. MATTERS: COUNCIL'S COMPETANCE**

#### **01/05/2017 Final 2017 to 2022 IDP**

Moved on proposal of Councillor E. Humphries, seconded by Councillor V. Harmse;

#### **It is Resolved**

That (i) Council takes notice that the Draft IDP for 2017/22 was published for general notice, comments and input, and that no comments or inputs have been received from the public and that the inputs forwarded by various stakeholders at the

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IDP Engagements have been implemented and or corrections effected to the Final 2017/22 IDP;

- (ii) Council takes notice that Draft IDP has been an agenda item during the public consultation sessions when the draft 2017/18 Budget and IDP were presented to the communities of Colesberg, Noupoot and Norvalspont;
- (iii) the Final 2017/22 IDP be approved;
- (iv) the MIG Implementation Plan for 2017/18 consisting of the following projects be approved:
  - (a) Project Number: MIG/NC/0611/RST/16/18: New Ouboks Arterial Streets to the approved budget of R8 115 423.50;
  - (b) Project Number: MIG/NC/0620/CF/(SP)17/18: Noupoot Sports Grounds to the approved budget of R3 541 576.50.

**02/05/2017 Final 2017/18 Budget**

On proposal by Councillor M.R. Kafi and seconded by Councillor J.P. Matthee;

**It is Resolved**

That

- (i) The Council of Umsobomvu Local Municipality, acting in terms of Section 24 of the Municipal Finance Management Act, (Act 56 of 2003) approves and adopts:
  - (a) The final budget of the municipality for the financial year 2017/2018 and the multi-year and single-year capital appropriations as set out in the following tables:
    - (a.a) Budgeted Financial Performance (revenue and expenditure by municipal vote) as contained in Table A3;
    - (a.b). Budgeted Financial Performance (revenue by source and expenditure by type) as contained in Table A4; and
    - (a.c) Multi-year and single-year capital appropriations by municipal vote associated funding by source as contained in

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Table A5.

- (b) The financial position, cash flow budget, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets are noted as set out in the following tables:
  - (b.a) Budgeted Financial Position as contained in Table A6;
  - (b.b) Budgeted Cash Flows as contained in Table A7;
  - (b.c) Cash backed reserves and accumulated surplus reconciliation as contained in Table A8;
  - (b.d) Asset management as contained in Table A9; and
  - (b.e) Basic service delivery measurement as contained in Table A10.
- (ii) The Council of Umsobomvu Local Municipality, acting in terms of Section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves and adopts with effect from 1 July 2017 the following draft tariffs:
  - (a). property rates – as set out in Annexure B,
  - (b) electricity – as set out in Annexure B;
  - (c) supply of water – as set out in Annexure B;
  - (d) sanitation services – as set out in Annexure B;
  - (e) solid waste services – as set out in Annexure B;
- (iii) The Council of Umsobomvu Local Municipality, acting in terms of 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves and adopts with effect from 1 July 2017 the tariffs for other services, as set out in Annexure B.
- (iv) To give proper effect to the municipality's draft annual budget, the Council of Umsobomvu Local Municipality approves:
  - (a) That cash backing is implemented through the utilisation of a portion of the revenue generated from operations and cash backed surplus funds to ensure that any capital reserve and unspent conditional grants are cash backed as required in

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terms of the municipality's funding and reserves policy as prescribed by section 8 of the Municipal Budget and Reporting Regulations;

- (v) The Council of Umsobomvu Local Municipality approves and adopts the schedule of service standards for the 2017/2018 financial year.

### **03/05/2017 Revision of Budget-Related Policies**

Moved on proposal of Councillor M.A. Sestile, seconded by Councillor N.J. Batties;

### **It is Resolved**

- That
- (i) Council takes notice that the amendments to the Property Rates Policy has been advertised for public comment, and that no input has been received from the public;
  - (ii) Council approves the amendments to the Property Rates Policy, Indigent Policy and the Travel and Subsistence Policy and the following Budget Related Policies:
    - (a) Customer Care and Revenue Management Policy;
    - (b) Indigent Policy;
    - (c) Tariff Policy;
    - (d) Virement Policy;
    - (e) Travel and Subsistence Policy;
    - (f) Rates Policy;
    - (g) Supply Chain Management Policy;
    - (h) Cash and Investment Policy;
    - (i) Unauthorised, Irregular, Fruitless and Wasteful Expenditure;
    - (j) Bad Debt Write Off Policy;
    - (k) MFMA Delegations;
  - (iii) Council approves the amendments to the individual contracts of the senior managers to reflect the changes provided for in the Travel and Subsistence policy with regard to use of privately-owned motor vehicles.

### **04/05/2017 Procurement of New Financial Management System on the National Treasury RT 25 Panel**

Moved on proposal of Councillor M.J. Williams, seconded by Councillor N.D. Stafa;

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**It is Resolved**

- That (i) Council rescinds Council resolution 12/02/2017: Upgrading of Financial System to Municipal Standard Charter of Accounts (mSCOA) Compliance dated 12 April 2017;
- (ii) Council takes note that national Treasury directed all municipalities to be mSCOA compliant as from 1 July 2017;
- (iii) Council approves the procurement of the Financial Enterprise Resource Planning System (mSCOA Compliant) from Vesta Technical Services (Pty) Ltd including the asset management system;
- (iii) Council takes notice that the total cost of the procurement amounts to R7 856 114.00 as same has made provided in the 2016/17, 2017/18 and 2018/19 financial years;
- (iv) Council takes notice that an amount of R1 700 000.00 has been made available in the 2016/17 budget for the first stage of the procurement of the upgrade;
- (v) the "Recommended Corrective Actions" contained in the Checklist be adopted and same be included in the Audit Action Plan.

**05/05/2017 Reporting of Financial Misconduct**

Moved on proposal of Councillor M.R. Kafi, seconded by Councillor E. Humphries;

**It is Resolved**

- That (i) Council takes notice that it is evident from the documents submitted and the results of the preliminary investigation that a prima facie case of financial misconduct in terms of Section 171(4)(a) of the MFMA exists;
- (ii) the matter be referred to the Disciplinary Boards for investigation;
- (iii) it be noted that a case of theft has been opened at the Noupoot SAPS.

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**06/05/2017 Recruitment of Municipal Manager**

(The Municipal Manager and officials leaves the Council Chambers prior to a resolution is passed on the item)

**It is Resolved**

That the matter be referred to a Special Council meeting to be scheduled in June 2017.

**6. CLOSURE**

The Mayor extends a word of appreciation to all Councillors and officials.

The Mayor requests Councillor V. Harmse to close the meeting with a prayer.

Councillor Harmse does a prayer and upon conclusion the Mayor declares the meeting close.

**MINUTES APPROVED THIS 12<sup>th</sup> DAY OF SEPTEMBER 2017**

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**M.S. TOTO  
MAYOR**

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